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中國水務地產集團有限公司
CHINA WATER PROPERTY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2349)

GRANT OF SHARE OPTIONS
AND
UPDATE ON DIRECTOR'S INFORMATION

This announcement is made pursuant to Rule 17.06A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Directors**”) of China Water Property Group Limited (the “**Company**”) hereby announces the Board had resolved to grant share options (the “**Options**”) to two Directors and a chief executive (the “**Grantees**”) to subscribe for a total of 284,752,000 ordinary shares of HK\$0.01 each in the share capital of the Company (each a “**Share**”), subject to acceptance of the Grantees, under the share option scheme adopted by the Company on 3 June 2003 (as amended from time to time) (the “**Share Option Scheme**”) and the payment of HK\$1.00 by each of the Grantees upon acceptance of the Options. Details of the Options are set out below:

- Date of grant : 3 November 2010 (the “**Date of Grant**”)
- Exercise price of Options granted : HK\$0.1004 per Share
(being the highest of (i) the closing price of HK\$0.1 per Share as quoted in the Stock Exchange’s daily quotation sheet on the Date of Grant; (ii) the average closing price of HK\$0.1004 per Share as quoted in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.01 per Share)
- Number of Options granted : 284,752,000
- Validity period of Options : From Date of Grant to 2 November 2020
(both dates inclusive)
- Exercise period : From Date of Grant to 2 November 2020
(both dates inclusive)

The Options in relation to subscribe for a total of 284,752,000 Shares were granted to the Grantees, which comprises two of the Directors and a chief executive, details of which are set out below:

Name of Director/ chief executive	Position held with the Company	Number of Options granted
Duan Chuan Liang	Non-executive Director and Chairman	122,376,000
Wang Wenxia	Executive Director and Vice Chairman	122,376,000
Chong Ching Hei	Company Secretary and Financial Controller	40,000,000

In accordance with Rule 17.04(1) of the Listing Rules, the grant of Options to each of the above Directors and chief executive had been approved by the independent non-executive Directors respectively.

Reference is also made to the announcements of the Company dated 25 and 26 October 2010 in relation to, among other matters, the appointment of Mr. Duan Chuan Liang (“Mr. Duan”) as the Chairman and a non-executive Director of the Company. The Company would like to take this opportunity to clarify that save for the Options granted to Mr. Duan above, Mr. Duan is also interested in an additional aggregate 45,084,951 share options of the Company, among which were share options to subscribe for 15,028,317 new shares in the Company, exercisable at a price of HK\$0.1208 per share, and share options to subscribe for 30,056,634 new shares in the Company, exercisable at a price of HK\$0.0529 per share, both of which were granted pursuant to the Company’s existing share option scheme, as adopted by the Company. Save as disclosed herein and in the announcements of the Company dated 25 and 26 October 2010, Mr. Duan does not have, and is not deemed to have any interests or short positions in any other shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

As determined by the remuneration committee of the Company Mr. Duan will be entitled to remuneration of HK\$300,000 per month with such other allowances, bonus and benefits as the remuneration committee of the Company may consider appropriate with reference to his duties and responsibilities in the Company. Mr. Duan’s remuneration and emolument will be reviewed regularly with reference to his duties and responsibilities, the performance of the Group and the prevailing market situation.

By order of the Board
China Water Property Group Limited
Wang Wenxia
Vice Chairman

Hong Kong, 3 November 2010

As at the date of this announcement, the Board comprises Ms. Wang Wenxia (Vice Chairman) and Mr. Ren Qian as executive Directors, Mr. Duan Chuan Liang (Chairman) and Mr. Zhou Kun as non-executive Directors and Mr. Chen Ziqiang, Mr. Chan Pok Hiu and Mr. Wong Chi Ming as independent non-executive Directors.